

Invitation to the 2010 Annual General Meeting

English translation - the German version is the only legally binding version



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LEIFHEIT

Aktiengesellschaft



Aktiengesellschaft
Nassau/Lahn

ISIN DE 000 646 4506

Dear Shareholders,

Our **Annual General Meeting** will take place on
Wednesday, 9 June 2010 at 10:30 a.m.,
at Leifheit AG Customer and Administrative Centre,
Leifheitstrasse, 56377 Nassau/Lahn, Germany.

AGENDA

- 1. Presentation of the following: 1) Leifheit AG's official annual financial statements and management report for 2009; 2) The Group's approved, consolidated financial statements and management report for 2009; 3) The Supervisory Board's report; 4) The Board of Management's explanatory report on the disclosures mandated by Section 289, Para 4, Para 5, and Section 315, Para. 4 of the Commercial Code (HGB).**

The Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Board of Management in the meeting held on 13 April 2010 in line with Sections 172 and 173 of the German Stock Corporation Act (AktG), thereby adopting the annual financial statements. An agenda item for a shareholder resolution on this matter thus is not applicable. Annual financial statements and management report, consolidated financial statements and group management report, report of the Supervisory Board and report of the Board of Management and notes on the legally required takeover disclosures are posted on the Internet at <http://www.leifheit.de/de/investor-relations/hauptversammlung/2010> for review.

2. Allocation of balance sheet profit

Dividends distributed by Leifheit AG (ISIN DE 0006464506) are based on the balance sheet profit for the year per commercial code accounting stated in the Leifheit AG annual financial statements. For the financial year ended 2009 Leifheit AG recorded a balance sheet profit of € 17,461,004.13. Leifheit AG currently holds 250,124 of its own treasury shares, which are not eligible to receive dividends. The number of eligible shares may change by the date of the Annual General Meeting. In this case, the total dividend payout (profit allocation) proposed to the Annual General Meeting will be adjusted accordingly, while the per-share payout (€ 0.60 per no-per-value share eligible to receive dividends) will remain unchanged.

The Board of Management and Supervisory Board propose the following resolution:

A dividend of € 0.60 per no-par-value share eligible to receive dividends shall be paid out of the Company's balance sheet profit for financial year 2009 (€ 17,461,004.13). Given a total of 4,749,876 no-par-value shares outstanding, the total pay-out to investors shall amount to € 2,849,925.60. The remaining amount of € 14,611,078.53 shall be carried forward to the following financial year.

3. Discharge granted to Board of Management members for financial year 2009

The Board of Management and Supervisory Board propose that Board of Management members be discharged of liability for their official duties during financial year 2009.

4. Discharge granted to Supervisory Board members for financial year 2009

The Board of Management and Supervisory Board propose that Supervisory Board members be discharged of liability for their official duties during financial year 2009.

5. Authorisation to repurchase and utilise own shares per Section 71, Para. 1, No. 8 of the German Stock Corporation Act (AktG)

At the Annual General Meeting held on 17 June 2009 shareholders authorised the Company to buy back and utilise own shares per Section 71, Para. 1, No. 8 of the German Stock Corporation Act (AktG), with effect until 16 December 2010. The Company has since made use of this right and will make a report on its activities in this regard during the upcoming Annual General Meeting.

This authorisation to buy back and utilise own shares authorised at the 17 June 2009 Annual General Meeting expires on 16 December 2010. The Board of Management is to be given repeat authorisation to buy back and utilise own shares, suspending the previous authorisation, to enable the Company to buy back and utilise own shares after that date.

The Company would like to exercise its option under newly implemented regulations and extend the expiration date to five years.

The Board of Management and Supervisory Board propose the following resolution:

- a) The Board of Management is authorised to purchase bearer shares of the Company ("shares") on the exchange, or by way of public tender offer directed to all shareholders one or more times up to 8 June 2015, for one or more given purposes.

At no time may the shares purchased under this authorisation together with other Company shares that the Company has already purchased and still holds or shares attributable to it per Sections 71a ff AktG exceed 10% of Company share capital. The Company may not utilise this authorisation for the purpose of trading in its own shares. Apart from that, the purpose of such purchases shall be determined by the Board of Management. The restrictions per Section 71 Para. 2 AktG apply.

For share buybacks on the stock exchange, the purchase price (excluding transaction costs) may not vary by more than 10% from the market price on the exchange. For publicly announced tender offers to all shareholders, the tender price offered and paid (excluding transaction costs) per share may exceed the market price on the exchange by as much as 10%, but must not be lower than the market price on the exchange.

The relevant market price within the meaning of the above regulations shall be the average closing prices of the share in XETRA trading on the Frankfurt Stock Exchange (or a comparable successor system) during the last five trading days prior to the sale of the shares or preceding the release of a public purchase offer.

If acquisition occurs by means of a public purchase offer to all shareholders, the volume of the offer may be limited. If this amount is exceeded when the offer is fully subscribed, tenders must be accepted on an allotment basis. Preferential acceptance of smaller tender volumes of up to 100 shares per shareholder may be provided for.

- b) The Board of Management is also authorised to utilise own shares that will be or were acquired on the basis of the authorisation granted under a) or on the basis of prior authorisations granted by the Annual General Meeting per Section 71 Para. 1 No. 8 AktG, subject to Supervisory Board approval, for any legal purpose, including the following in particular:
 - aa) Purchased shares may be offered and sold to shareholders as part of a subscription offer in line with rules governing shareholder subscription rights.
 - bb) Purchased shares may be resold on a stock exchange.
 - cc) Shares representing up to 10% of share capital may be resold at a price not substantially below the applicable market price on the exchange. The disapplication of subscription rights under other authorisations per Section 186 Para. 3 Sentence 4 AktG must be considered in assessing attainment of the 10% threshold.

The applicable stock exchange price per sentence 1 is the average closing price in Frankfurt Stock Exchange XETRA trading (or comparable successor system) for the last five trading days prior to sale of the shares.

- dd) Purchased shares may be sold to third parties for the following purposes: 1) To implement the acquisition of a company, company segment or company shareholding. 2) As consideration for the transfer of a company, company segment, or company shareholding (including increases in existing shareholdings). 3) To implement a company merger.
- ee) Shares may be issued, offered and transferred to employees of Leifheit AG or of an associate firm of Leifheit AG, particularly as anniversary or employee shares.
- c) Shareholder subscription rights may be disapplied insofar as the Board of Management specifies use of the shares for the purposes set forth under letters b), cc) or b), dd) or b), ee). When selling own shares in a subscription offer as per b), aa), the Board of Management may further disapply shareholder subscription rights for fractional amounts.
- d) The authorisations per letters b) and c) above may be exercised one or more times, individually or in combination.
- e) The authorisation granted per the 17 June 2009 Annual General Meeting resolution to buy back and utilise own shares expires when this new authorisation per letters a) to d) above goes into effect.

6. Resolution on the new wording of Articles 14 (2), 15 (1) and 12 of the Articles of Incorporation

The Act on the Implementation of the Shareholders' Rights Directive (ARUG) was published in the Federal Law Gazette on 4 August 2009 and took effect primarily on 1 September 2009. ARUG modifies the AktG provisions governing convening of the Annual General Meeting. These new regulations apply to Annual General Meetings convened after 31 October 2009. The proposed rewordings are designed to bring the Articles of Incorporation in line with the revised regulations. Supervisory Board remuneration under Article 12 of the Articles of Incorporation is also to be revised.

The Board of Management and Supervisory Board propose the following resolution:

- a) Article 14 (2) of the Articles of Incorporation will be revised to read as follows:

“The Annual General Meeting is convened in accordance with legal formal and deadline regulations.”

- b) Article 15 (1) of the Articles of Incorporation will be revised to read as follows:

“Only shareholders who have registered (“registration”) and provided the Company proof of eligibility to attend (“proof”) may attend the Annual General Meeting and exercise voting rights.

Registration and proof must be received by the Company in written form in German or English at the address specified for this purpose in the meeting invitation in due time and in observance of applicable deadline regulations.

Proof must be special proof of shareholdings provided in written form by the custodian bank. Proof of shareholdings must relate to the beginning of the 21st day prior to the Annual General Meeting.”

- c) Article 12 of the Articles of Incorporation will be revised to read as follows:

“In addition to reimbursement of expenses and of value added tax incurred during the exercise of Supervisory Board duties after the financial year end, each Supervisory Board member receives fixed remuneration of € 15,000.00 and variable remuneration of € 100.00 per € 0.01 of dividends per share distributed. The Chairman receives three times and the Deputy Chairman one and a half times the fixed and variable remuneration amounts.

Every Supervisory Board member on a Supervisory Board committee receives an additional 25% of the fixed remuneration of a Supervisory Board member. Committee chairman receives double this amount.

The above provisions on Supervisory Board member remuneration apply for the first time to remuneration paid for the 2010 financial year.”

7. Resolution on the new wording of Article 16 of the Articles of Incorporation

Pursuant to the Act on the Implementation of the Shareholders’ Rights Directive (ARUG), Annual General Meeting may allow absentia voting or authorise the Board of Management to allow absentia voting (see Section 118 Para. 2 AktG). The Company intends to make use of this option. The Articles of Incorporation provisions on the manner of granting power of attorney are also to be adapted to the changes brought about by ARUG legislation.

The Board of Management and Supervisory Board propose the following resolution:

Article 16 of the Articles of Incorporation will be revised to read as follows:

- (1) Each share entitles the holder to one vote.
- (2) Voting rights may be exercised by a proxy holder. The granting, revocation and provision of proof to the Company of proxy authorisation is subject to applicable law. In convening the Annual General Meeting, the Company may appoint an individual as proxy bound to vote as instructed.
- (3) The Board of Management may allow shareholders to submit their votes by mail or electronic communication channels without attending the Annual General Meeting (absentia voting). The Board of Management shall determine the specifics pertaining to absentia voting, which are to be announced at the same time as the convocation of the Annual General Meeting.”

8. Resolution on the new wording of Article 17 Paragraphs 3 - 5 of the Articles of Incorporation

The German Federal Court of Justice ruled on 8 February 2010 (Az.: II ZR 94/08) that the Annual General Meeting may resolve a provision in the articles of association granting the meeting chairman broad authority to restrict the amount of time shareholders are entitled to speak and ask questions. Such provisions are to be incorporated into the Articles of Incorporation accordingly.

The Board of Management and Supervisory Board therefore propose the following resolution:

Article 17 Para. 3 of the Articles of Incorporation shall be revised and Paragraphs 4 and 5 added to read as follows:

“(3) The Chairman of the Annual General Meeting may restrict the amount of time shareholders are entitled to speak and ask questions in view of the following considerations:

- a) If, under the agenda (including any minority shareholder petitions per Section 122 AktG), only items concerning the appropriation of profits, the formal discharge of Management and Supervisory Board members, appointment of the auditor and/or authorisation to purchase and utilise own shares are to be voted on, the Chairman may restrict the amount of time shareholders are entitled to speak and ask questions so as to limit the duration of the Annual General Meeting to a total of six hours.

Interruptions to the Annual General Meeting, the Board of Management speech and Chairman’s comments prior to the general discussion do not count in calculating the length of the Annual General Meeting.

- b) If, under the agenda (including any minority shareholder petitions per Section 122 AktG), items other than those under letter a) are to be voted on, the Chairman may restrict the amount of time shareholders are entitled to speak and ask questions so as to limit the duration of the Annual General Meeting to a total of ten hours. Letter a) sentence 2 applies accordingly.

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- c) The Chairman may restrict the amount of time shareholders are entitled to speak and ask questions to 15 minutes per recognition, and to 10 minutes if three or more other speakers are awaiting recognition when one speaker is recognised. The Chairman may limit the total amount of time a shareholder is entitled to speak and ask questions during the Annual General Meeting to 45 minutes.
 - d) The Chairman may impose the limitations outlined under letters a) to c) at any time, including at the start of the Annual General Meeting.
 - e) The limitations outlined under letters a) to d) above constitute reasonable limitations per Section 131 Para. 2 Sentence 2 AktG.
- (4) Irrespective of the Chairman's ability to restrict the amount of time shareholders are entitled to speak and ask questions per Paragraph 3, the Chairman may declare discussion ended at 22:30 on the date of the meeting and begin the voting on agenda items. In cases falling under the first sentence, no further questions are permitted once discussion has been declared ended.
- (5) The Chairman's right to restrict the amount of time shareholders are entitled to speak and ask questions beyond the provisions of Paragraphs 3 and 4 remains unaffected by the provisions of Paragraphs 3 and 4 in accordance with applicable legislation or in accordance with other principles established by case law."

9. Election of the auditors for financial year 2010

As recommended by the Audit Committee, the Supervisory Board proposes appointing that Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, based in Eschborn/Frankfurt am Main, be elected as auditors of the financial statements of both the Company and the consolidated Group for financial year 2010.

BOARD OF MANAGEMENT REPORT ON AGENDA ITEM 5 IN LINE WITH SECTION 71, PARA. 1, NO. 8, SENTENCE 5 AKTG IN CONJUNCTION WITH SECTION 186, PARA. 3 AND PARA. 4 SENTENCE 2 AKTG

The Annual General Meeting on 17 June 2009 adopted a resolution authorising the Company to purchase and utilise its own shares with effect until 16 December 2010. As the authorisation expires in the current financial year, a new authorisation is to be resolved for a five-year term to replace the previous authorisation.

Pursuant to the new authorisation, shares may be purchased on the exchange or by means of a publicly announced tender offer to all shareholders. In addition to purchasing on the exchange, the Company shall be authorised to purchase its shares by means of a publicly announced tender offer. In such cases, each holder of Company shares can decide how many shares he or she would like to tender, and at what price if a price range is specified. If the number of shares offered at a fixed price exceeds the number of shares required by the Company, share tenders will be accepted by allotment. Small offers or small parts of offers of a maximum of 100 shares per shareholder may be given preferential treatment. This provision allows for the elimination of odd lots or small remainders when determining the pro-rata volume of shares to be accepted, while also facilitating the technical settlement process.

Own shares purchased may be utilised for any purposes permitted by law.

Under agenda item 5 letter b), cc) and letter c), the Board of Management petitions for the right to disapply shareholder subscription rights in line with Section 186 Para. 3 Sentence 4 AktG for shares representing up to 10% of share capital; this authorisation together with any other authorisations under Section 186 Para. 3 Sentence 4 AktG must not exceed 10%. Authorisation to disapply shareholder subscription rights is in the interest of the Company, enabling it to sell its shares to institutional investors and attract new groups of shareholders in Germany and abroad, for example. The option of excluding subscription rights offers management the latitude for seizing stock market opportunities without the need for any time-consuming and costly processing of subscriptions, especially in regard to the quick and cost-effective placement of shares. In exercising its authorisation, the sale price of own shares is to be set by the Board of Management in such a way that the discount on the trading price is not expected to be more than 3% below the current trading price of Company shares. This provision protects shareholders against improper dilution of their shareholdings.

The authorisation to disapply shareholder subscription rights under agenda item 5 letter b), dd) and letter c) enable the Board of Management to issue Company shares on short notice to acquire businesses or equity stakes without having to rely on the market. Leifheit AG competes fiercely both nationally and internationally with other firms and must therefore be able to act quickly and flexibly at all times in the interest of its shareholders, including the ability to acquire businesses or equity stakes to improve competitiveness. Acquiring businesses and equity stakes frequently involves consideration cost.

It is often impossible to pay this cost solely in cash without creating a liquidity problem for the Company. Buyers therefore frequently offer shares as consideration. The proposed authorisation will provide Leifheit AG the necessary freedom to take advantage of opportunities to acquire businesses and equity stakes in a quick and flexible way, especially by issuing shares.

The authorisation to disapply shareholder subscription rights applied for under agenda item 5 letter b), ee) also enables the Board of Management to offer and issue shares to employees of the Company or of associated companies, particularly as employee or service anniversary shares.

The option of disapplying subscription rights for acquisitions under agenda item 5 letter b), aa) and letter c) sentence 2 relate to fractional shares only in the interest of efficient handling of subscription rights.

In deciding whether to disapply subscription rights, the Board of Management shall primarily consider shareholders' interests, carefully weighing whether doing so is in the interest of the Company. Subscription rights shall only be excluded if such is the case. After taking into consideration all the circumstances, the authorisation to disapply subscription rights is therefore in the interest of the Company as well as appropriate under the circumstances presented above.

At the next Annual General Meeting the Board of Management will report on the exercising of this authorisation.

TOTAL NUMBER OF SHARES AND VOTING RIGHTS AT THE TIME THE ANNUAL GENERAL MEETING IS CONVENED

At the date of convocation of the upcoming Annual General Meeting, 4,749,876 of the 5,000,000 no-par Company shares issued entailed the right to participate in, and vote at, the Annual General Meeting. Each of these no-par shares entitles the holder to one (1) vote at the Annual General Meeting. There were thus 4,749,876 voting rights outstanding as of the convocation of the upcoming Annual General Meeting. The 250,124 own shares held by the Company at the time of convocation of the upcoming Annual General Meeting do not confer any rights to participate or vote.

PARTICIPATION IN THE ANNUAL GENERAL MEETING

Shareholders who have proven their right to participate may attend the Annual General Meeting and exercise their voting rights. Special proof of shareholdings issued in written form in German or English by the custodian bank ("proof") is required and sufficient as proof to participate in the Annual General Meeting and exercise voting rights.

Proof must refer to the start of the 21st day before the Annual General Meeting, which is 18 May 2010 at 12:00 midnight (verification deadline). Entitlement per the above is assessed exclusively from shareholdings as at the verification deadline, without any restriction on the subsequent sale of those shares. Even if shareholdings are partially or entirely sold after the verification date, only shareholdings as of the verification date are relevant; the sale or purchase of shares after the verification date thus has no effect concerning participation in the Annual General Meeting and exercise of voting rights.

Verification must be received by the Company by

Wednesday, 2 June 2010, 12:00 midnight

at the following address:

Leifheit AG
c/o Deutsche Bank AG
General Meetings
Postfach 20 01 07
60605 Frankfurt am Main, Germany

or by fax to: +49 69 12012-86045

or by E-mail to: WP.HV@Xchanging.com

Once the Company has received the special proof of shareholding, it will send out admission tickets to the Annual General Meeting to shareholders.

To ensure timely receipt of these admission tickets and the accompanying proxy forms, we urge all shareholders to ensure that the Company is sent the special proof of shareholding well in advance of the Annual General Meeting, though no limitation of participation or voting rights is hereby implied.

PROXY VOTING

Shareholders unable or unwilling to attend the Annual General Meeting in person may appoint a proxy to exercise voting and other shareholder rights. Proxy appointments, revocations, and proof thereof must be provided to the Company in written form. A form for proxy appointment is sent to shareholders along with the admission ticket to the Annual General Meeting.

Documentation of proxy appointment may be provided to the Company by E-mail: HV2010@leifheit.com. No additional documentation of proxy appointment is required with electronic submission as outlined above.

If a bank, shareholder association or other equivalent legal entity per Section 135 AktG is to be appointed, there is no written requirement by law or the Articles of Incorporation, except as per the above provision. However, we would point out that the appointment of banks, associations or equivalent legal entities in these cases may require a particular authorisation format under proxy verification requirements per Section 135 AktG. Shareholders appointing a bank, shareholder association or other equivalent legal entity per Section 135 AktG should thus coordinate any format requirements for proxy appointment with these parties.

As a special service, the Company provides shareholders the opportunity to appoint a proxy named by the Company ahead of the Annual General Meeting who is bound to exercise voting rights in accordance with instructions. The individual named as proxy by the Company votes exclusively in accordance with instructions given by the respective shareholder. Appointment of the proxy named by the Company, revocation of proxy and voting instructions must be made in written form. The admission ticket to the Annual General Meeting includes a form for proxy appointment and issuing instructions along with other information.

Completed forms appointing the proxy named by the Company must be sent to:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, Germany

or by fax to: +49 2604 977-340

or by E-mail to: HV2010@leifheit.com

**SHAREHOLDER RIGHTS PER SECTION 122 PARA. 2,
SECTION 126 PARA. 1, SECTION 127 AND SECTION 131
PARA. 1 AKTG**

In accordance with Section 122 Para. 2 AktG, shareholders holding in total either 20% or € 500,000 of share capital may demand items be put on the agenda and announced. Such demands must be received by the Company at the address below by 12:00 midnight on Sunday, 9 May 2010:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, Germany

Pursuant to Section 126 Para. 1 AktG, any Company shareholder may submit a counterpetition to Management or Supervisory Board proposals on specific agenda items. Counterpetitions received by the Company at the address specified below by 12:00 midnight on Tuesday, 25 May 2010 will be posted on the Company website as per Section 126 Paragraphs 1 and 2 AktG.

Additionally, any shareholder may submit nominations for the appointment of Supervisory Board members or auditors pursuant to Section 127 AktG. Nominations received by the Company at the address specified below by 12:00 midnight on Tuesday, 25 May 2010 will be posted on the Company website as per Section 127 and Section 126 Paragraphs 1 and 2 AktG.

Counterpetitions and nominations meeting the legal requirements and received by the deadline will be posted in time on the Internet at

<http://www.leifheit.de/de/investor-relations/hauptversammlung/2010>.

Any management responses will also be posted on the specified web address. We will also publish in time supplementary petitions meeting the legal requirements and received by the deadline.

Shareholders must submit counterpetitions and nominations to the following address only:

Leifheit AG
Postfach 11 65
56371 Nassau/Lahn, Germany

or by fax to: +49 2604 977-340

or by E-mail to: HV2010@leifheit.com

Incorrectly addressed petitions or nominations will not be considered.

In line with Section 121 Para. 3 No. 3 AktG, please note that the Board of Management must provide information concerning the Company's affairs to any shareholder if requested to do so at the Annual General Meeting if this Information is required for the appropriate assessment of agenda items (Section 131 Para. 1 AktG). The right to information may be exercised at the Annual General Meeting without prior announcement or other notification thereof.

Additional explanations and information concerning shareholder rights per Section 122 Para. 2, Para. 126 Para. 1, Section 127 and Section 131 Para. 1 AktG are posted on the Company website, <http://www.leifheit.de/de/investor-relations/hauptversammlung/2010>.

NOTES ON THE COMPANY WEBSITE AND INFORMATION POSTED THERE PER SECTION 124A AKTG

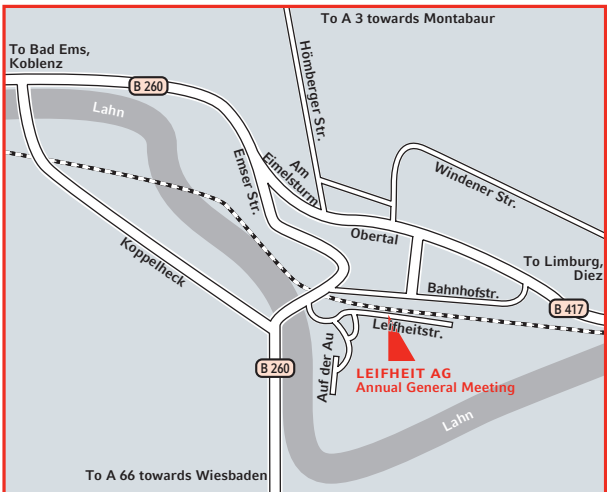
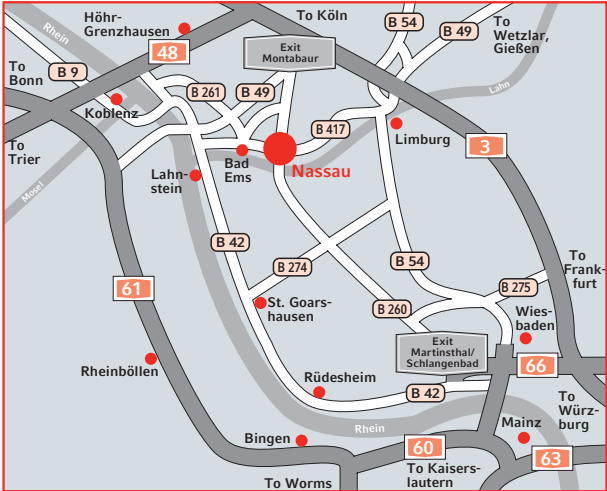
Information about the Annual General Meeting required per Section 124a AktG is posted on the Company website, <http://www.leifheit.de/de/investor-relations/hauptversammlung/2010>.

Nassau/Lahn, April 2010

Leifheit AG

The Board of Management

MAP





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